

ENTREPRENEURSHIP AND DEVELOPMENT A POWERFUL TOOL FOR YOUTH EMPOWERMENT: A REVIEW.

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ABSTRACT

An entrepreneur wakes up and says: Good morning, Lord, I thank you for your abundant blessings. A man with a mindset of poverty, wakes and laments, he says: O Lord, it is another morning, can I continue this way? Why the lamentation when there is the entrepreneurship option?

Entrepreneurship is the process through which new organizations come into existence. It is a human creative action that breeds something of value from practically nothing.

An entrepreneur searches for and discovers new information, translates it into new markets, techniques and goods. He discovers economic opportunity and marshal the financial resources needed for the enterprise.

The challenges that face entrepreneurs in Nigeria include harsh or unfriendly economy, dynamics of the industry, lack of start-up capital-, staff recruitment and unfriendly government policies among others. The vitally needed ingredients for success in business include starting on a small scale, maintaining a good cash flow, relying mostly on oneself and strategically positioning your business and yourself.

The small scale business that could invite the attention of our youths includes agriculture, finance scale manufacturing, trade and service rendering. Establishing a new business and nurturing it to growth and maturity is not easy in our environment but it is vulnerable. Embrace change, embrace entrepreneurship.

KEYWORDS: Entrepreneurship, start-up capital, staff recruitment, business, economy, Nigeria

INTRODUCTION.

An entrepreneur wakes up and he says; Good Morning Lord, I thank you for your abundant blessings. A man with a mindset of poverty, wakes and laments, he says; O Lord, it is another morning. Can I continue this way? Why the lamentation when there is the entrepreneurship option? The nation's economy cannot be divorced from the lamentation of the latter. If the economy is at its lowest ebb, people will lament. If the criterion of the per capita income is used as the basis of measuring economic performance, it deserves a mention to state that no Nigerian earns a dollar per day whereas elsewhere specifically in the United Kingdom (UK) and the United States of America (USA), a cattle earns a dollar per day inorder to encourage its production.

It means that No Nigerian lives like a cattle elsewhere. Most of us are not living, we are just existing.

Truly, Nigeria's economy is in doldrums. The parlous state of Nation's economy has dealt a devastating blow on the standard of living of the citizenry; most Nigerians are poor due to the ruinous and sorry state of the economy. Without entrepreneurship, economies perish. Indeed entrepreneurship and the resultant creation of new ventures are the source of vitality and growth of an economy.

One may compare the new start-ups in an economy to the new sprouts in an ecosystem without which the system would stagnate and eventually die.

Truly, without entrepreneurship, vicious cycle of poverty cannot be broken in any Nation.

Japan built its industrial strength on the extensive promotion and development of small scale enterprises which employs 37.2 million workers or 81.4% of the total workforce. The small scale industrial sector accounts for a substantial percentage of China's total workforce.⁴

India's small scale industries employ 10.6 million workers while in Canada they employ 50% of the labour force.⁴

In the United States of America (USA), small businesses contribute 90% of the new jobs and 70% of all new products and services while in the United Kingdom, small firms created between 800,000 and 1.1 million new jobs during the 1982-1988 periods.⁴

Nigeria's former military President, Ibrahim Babangida, in April 1989 said "I wish to remind you that Nigeria's industrial revolution has not begun. It will only start when our small scale industries programme takes off. This view is informed by the fact that in all the newly industrialized countries of South East Asia, small scale and cottage industries dominate the industrial sector of their economies".

1. ENTREPRENEURSHIP IN THE HOLY BIBLE:

God, our Creator teaches entrepreneurship through our *Lord*, Jesus Christ in the Scripture when the following chapters and verses are considered. Gen 1:26-30

God said, "Let us make man in our image, to our likeness. Let them RULE over the fish of the Sea... "God blessed them and said to them, "Be fruitful and increase in number, fill the earth and SUBDUE it"³

Proverbs 13: 18-19

Poverty and shame to the one who rejects correction, honour to him who accepts rebuke. Desire fulfilled is sweet to the soul...³

Proverbs 14: 23-24

Hard work yields a profit but the idler brings misfortune. Wealth is a wise man's crown, foolishness the diadem of fools.³

2 Thessalonians 3: 6-12

We command you... if anyone is not willing to work; neither should that one eat... In the name of Christ Jesus, Our Lord, we command these people to work and earn their own living.³

From the foregoing it could be seen that the Bible enjoins us to embrace entrepreneurship, work hard to earn a living and consequently drive poverty away from the land.

ENTREPRENEURSHIP DEFINED

The aim of this paper is to explore how the tool of the culture of entrepreneurship could be used by the government and the private individuals to solve the myriad of economic problems confronting the youths of the country.

It is the process by which new organizations come into existence. It is a human, creative out that builds something of value from practically nothing, it is the pursuit of opportunity with regards to the use of resources or lack of resources at hand. It requires a vision, passion and the commitment to lead others in the pursuit of that vision.

AN ENTREPRENEUR: He is the hero of capitalism, the object of envy and admiration. He is the mainspring for the private sector and the state of commercial legend. Innocent Akheemonkhan (2005) defines an Entrepreneur as a person who has the ability to identify and evaluate business opportunities in the environment, gather resources to take advantage of the business opportunities and also initiate an appropriate action to ensure success.

Joseph Schumpeter (1934) defined an Entrepreneur as¹ an innovator who implements changes within the market by carrying out new combinations which include the following:

- (i) The introduction of a new commodity.
- (ii) The introduction of a new method of production
- (iii) The opening of a new market
- (iv) The opening of a new source of supply of new materials or parts
- (v) He carries out the re-organization of an industry for efficiency and effectiveness.

Furthermore, when a man identifies opportunities within the economic system, he could be described as an Entrepreneur (Penrose, 1963).

THE TYPES OF ENTREPRENEURS

These include the following:

1. **SELF-EMPLOYED:-** These are the individuals who perform all the work and keep the profit.
2. **OPPORTUNISTIC ENTREPRENEURS:** Those who start a business and expand as fast as possible in order to be able to hire other employees.
3. **INVENTORS:-** These have inventive abilities. They design a better product and then create companies to develop, produce and sell the item.
4. **PATTERN MULTIPLIERS:-** Those who benefit from a large volume of sales by offering discount prices and operating with very low overhead.
5. **ACQUIRERS:** Those who take over a business started by somebody else and use their own ideas to make it successful.

The other types of Entrepreneur include: Buy-sell artists, speculators, intrapreneurs, franchisee and necessity entrepreneur among others.

THE FUNCTIONS OF AN ENTREPRENEUR: The functions performed by an entrepreneur can be enumerated as follows:

1. Searches for and discovers new information
2. Translates new information into new markets,
3. techniques and goods
4. Seeks and discovers economic opportunity
5. Marshals the financial resources needed for the enterprise
6. Makes time binding arrangement
7. Takes ultimate responsibility for management
8. Provides leadership and also motivate the employees
9. He is the ultimate risk bearer.

ENTREPRENEURIAL CHARACTERISTICS

Entrepreneurs are action-oriented, highly motivated individuals who take risks to achieve goals. The following list of characteristics and traits provide a working profile of entrepreneurs.

TABLE 1: ENTREPRENEURIAL TRAITS AND CHARACTERISTICS

S/NO	Characteristics	Trait
1.	Self-confidence	Confidence independence individuality optimism
2.	Task-result oriented	Need for achievement profit oriented, persistence, perseverance, determination, hard work drive, energy.
3.	Risk taker	Risk taking ability, likes challenging.
4.	Leadership	Leadership behavior gets along well with other.
5.	Originality	Innovative, creative, flexible, resourceful, versatile,
6.	Future oriented	Foresight perception

Source: Innocent Akhuemonkhan(2007)

BENEFITS OF BEING AN ENTREPRENEUR:

These include the following:

1. Fulfillment of psychological needs
2. Fulfillment of social needs.
3. Fulfillment of self actualization needs
4. That you are a boss gives you a lot of joy
5. Translation of idea into reality makes you happy
6. Financial needs are met
7. Potentials are released or awakened
8. Creating your own identity
9. Meeting the needs of the other people
10. Job creativity

THE CHALLENGES OF THE ENTREPRENEURS IN NIGERIA

These include the following

1. The harsh or unfriendly economy
2. The dynamics of the industry
3. The unavailability of adequate capital
4. The problem of honest staff
5. Unfriendly government policies among others

4. ENTREPRENEURS HIP LEADS TO ECONOMIC DEVELOPMENT

Without entrepreneurship, the economy cannot grow and if it does not grow, it can never develop culminating in a vicious cycle of poverty.

Economic development has to do with the maturity of the quality and quantity of goods and services produced in a country, the transformation of the economy from primary to secondary sector, changes in acquisition of special creative skills.

Can all of these be achieved without entrepreneurship?

It is also seen as the reduction or the elimination of poverty, inequality and unemployment within the context of a growing economy.

Todaro explains it as a multidimensional process involving major changes in the social structures, popular attitudes, and the national institutions as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty.⁷

THE CONDITIONS NECESSARY FOR RAPID ECONOMIC DEVELOPMENT: These include the following:

1. Political stability
2. Good leadership
3. Diversification of the economy
4. Mechanization of Agriculture
5. Industrialization
6. Adoption and use of modern technology
7. Availability of enough capital for investment
8. Provision of infrastructural facilities
9. Imbibing good and right attitude towards work
10. Prudent use of financial resources

5. BUSINESS OWNERSHIP: A POVERTY ESCAPIST STRATEGY FOR NIGERIAN YOUTHS

The alarming and appalling figure of the rate of poverty and unemployment in Nigeria is an enough reason why every youth of this country should embark on a "rat race" for survival. The following figures will be of interest to you.

- i. January 2000, 18.8 million youths or 18.8% of Nigerians were unemployed according to the statistics released by the Nigerian Manpower Board.
- ii. Rapid growth in unemployment, underemployment and poverty (about 60% among the youths aged 14-25 years) translating into 3 million jobless persons entering into the labour market annually.
- iii. 3million people out of estimated 22 million in the school system enter the labour market annually. The labour market can hardly absorb 10% of the entire school output.
- iv. A former Minister of Labour, Employment and Productivity put succinctly, the sorry state of the Nation's level of unemployment when he said that 7,500 qualified persons applied for a vacancy advert needing 20 people. The above revelation is shocking!

WHY MUST YOU CRY OF SOAP IN THE EYES IN A POOL OF WATER?

I mean why do we complain of unemployment and poverty when we can set-up or start our own businesses? Nigerian youths, cry no more, start your own businesses today.

A BUSINESS:- It is any problem solved with the aim of producing or creating a profit. Any person who is engaged in such an activity is a businessman or woman. This could be done either on a part time or full-time basis. The person who engages in such an activity is in technical terminologies, an ENTREPRENEUR.

6. "LOG IN" AND BE INVOLVED IN THE SMALL AND MEDIUM SCALE ENTERPRISES (SME)

It is truism that NOTHING BIG, STARTS BIG, IT STARTS SMALL. It also deserves a mention to state that few drops of water make a mighty ocean.

Conglomerates and the blue chip companies, in the global arena started on a small scale adopting the BOTTOM-UP APPROACH. You cannot be an exception to the rule, if you must succeed in the business world, you must start on a small scale.

THE SMALL-SCALE BUSINESS: It ranges from the one man Business to the more elaborate manufacturing enterprises employing relatively - sophisticated technology.

Obafemi Awolowo University, the Industrial Research Unit, defines a small scale industry as one with total assets in capital, plant and working capital, less than N250,000 and which employs fewer than 50 full time workers.

The small-scale industries division of the Federal Ministry of Industries defines small-scale industries as establishments with capital investments of not more than N250,000 employing between 50 and 150 persons. The small-scale business as defined by the Central Bank of Nigeria, in its annual credit guidelines to the commercial banks is a business with turnover not in excess of N500,000.

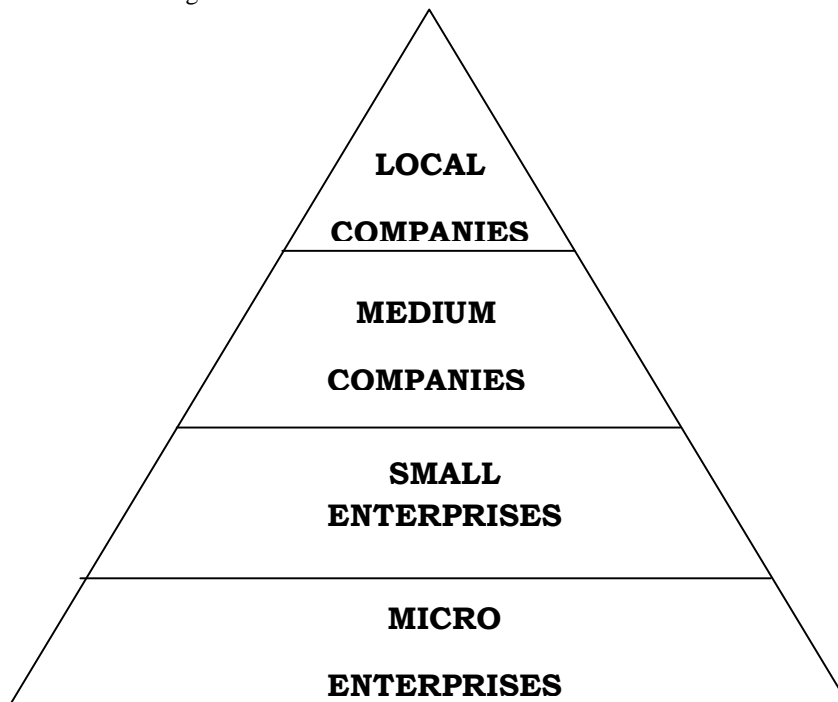
THE ROLES OF SMALL-SCALE ENTERPRISES IN THE NATIONS ECONOMIC DEVELOPMENT:

These include the following:

1. They facilitate the development of a broad base, indigenous entrepreneurial culture for the country.
2. A higher-value-added to domestic industrial production.
3. They boost rate of employment because they employ large number of people per unit of investment capital than large scale capital intensive enterprises.
4. Modernization of rural-urban migration
5. Promotion of effectiveness domestic resource utilization.
6. They facilitate managerial training for the unskilled and semi-skilled labour.
7. The production of intermediate goods for use in large enterprises



Figure 1: The Local Nature Of Small-Scale Businesses



SOURCE: George Manu *et al* (International Labour Organization, ILO)
Figure 2: The Comparative Triangle

AREAS WHERE SMALL BUSINESSES DO WELL

These include the following:

1. Filling a demand limited to a region or locality
2. Manufacturing calling for short runs or special lots
3. Providing technical repair services
4. Situations where markets change fast.

THE SMALL SCALE BUSINESSES: WEAKNESSES AND STRENGTHS **WEAKNESSES:** These include the following

1. **FINANCIAL LIMITATION:-** Instead of receiving the red carpet treatment by financiers when asking for a loan, the small business person is often made to feel like a second-class citizen.
2. **STAFFING PROBLEM:** Since companies cannot afford the salaries of high quality members of staff thereby affecting the quality of their operations
3. **HIGHER DIRECT COSTS:-** A small enterprise cannot buy raw materials, machinery or supplies as cheaply as a large company or obtain a large producer's economies of scale.
4. **LACK OF CREDIBILITY:-** The public accepts a large company's products because its name is well known and usually respected. A small enterprise must struggle to prove itself each time it offers a new product or enters a new market. Its reputation and past successes in the market place seldom carry weight.

STRENGTHS:- These include the following:

1. **PERSONAL TOUCH:** Customers will often pay a premium for personalized attention. In many industries where product and price differences are minimal, the human factors emerge as a prime competitive advantage.
2. **GREATER MOTIVATION:-** The owner works harder, longer and with more personal involvement?
3. **GREATER FLEXIBILITY:** A small enterprise has the prime competitive advantage of flexibility because it has shorter lines of communication.
4. **LESS BUREAUCRACY:-** In a small business, the whole problem can be understood readily, decisions can be made quickly and the results can be checked easily.
5. **LESS CONSPICUOUS:** The small company can try new sales tactics or introduce new products without attracting undue attention or opposition because it is not quite noticeable as the large companies.

6. WHY YOU SHOULD START YOUR OWN BUSINESS

You should start your own business for the following reasons.

1. You become the master of your fate, controller of your destiny.
2. Financial rewards
3. You give back to the environment
4. Self actualization, spirit of adventure
5. Doing what you have flair for. What you like doing gives you boundless joy.

7. HOW YOU SHOULD START YOUR BUSINESS

Adopt the following strategies.

1. Look for a demand gap in the market
2. Evaluate the demand for your product or service
3. Ask yourself if you could profitably exploit your chosen market segment
4. Ask yourself if you could turn over your cash quickly or does it take a long time.

8. VITALITY NEEDED INGREDIENTS FOR SUCCESS IN YOUR BUSINESS

These include the following:

1. Start on a small scale i.e start small
2. Cash flow is important
3. Depend mostly on yourself
4. Do not rely on the Banks and the Government for any financial assistance. You will never get it.
5. Don't worry if the other people are not seeing what you are seeing. Please forge ahead. Talk a dive.
6. Strategically position yourself and your business.
7. Pay attention to your business

8. SUGGESTED BUSINESSES THAT SHOULD INVITE YOUR ATTENTION AN INVESTMENT

1. AGRICULTURE:- Business in this area include market gardening, horticulture, landscaping, poultry farming, pig production, agriculture, snail farming, rabbitry, grass cutter raising, bee keeping e.t.c.
2. MANUFACTURING:- These include the production of tye and dye, candle, shoe polish, shoe, furniture, soap making, pomade, leather goods, toys, sculpture e.t.c.
3. TRADE:-This has to do with the buying and selling of commodities that add value to the customers.
4. SERVICE INDUSTRIES: These include the following phone call centre, barbing saloon, fashion design, marketing, dress making, secretarial services, party equipment rental, event management, rubbish clearing service, driving school, modeling agency, remedial teacher, dry cleaning service, car wash, computer school, home delivery service, convenience store, used clothing store, e.t.c.

CONCLUSION

Establishing a new business and nurturing it to growth and maturity is not easy in our environment. But it is achievable. Please do not allow anybody to kill your dream. Nigeria is a land flowing with milk and honey. Why would you not tap it?

Assume a null hypothesis in starting your business. Null hypothesis says that something will not happen. Be bold to dare. If you fail, remember that a setback is a setup for a come back. Start your business now!

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